19 ~~43~~ 45-46.

File No. 5877/36 II

P. W. DEPARTMENT

C and E BRANCH I

B CLASS

Subject:— Roads,

(1) Construction of certain roads, and Defence works.

(2) Departmental charges on Defence works - orders regarding —.

B [K] 1946

V

File No. 5877/36 - Genl E (I) - Pt II.

Std. Sectt. Slip 24-A

Std. Sectt. 78A e.

G R., G D., No. 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET (B)

Subject :—

File No. 5877/36 II

P. W. DEPT.

C and E BRANCH. I

References :—

Date.	To whom sent.	Notes and instructions.

5877/36

P. W. D.

B
(C.P.)

Submitted.

2. At the request of the Mily. Authorities this Govt. has and is undertaking the work of impts. to certain D.L.B. roads in this Province. The following are some instances of the works so undertaken.

Malad-Marve Road Juhu Road Pokhran Road Marol Road Malyan-Ambernath Road	Thana Dist.
Khedgoan-Supa-Mira Road.	Poona Dt.

3. As the works are of immediate urgency, they have been authorised to be started without prior consultation with the D.L.Bs. concerned. The Mily. Authorities are also being informed that the roads will, after improvement, be maintained by the Local Bodies concerned to the extent that their funds permit, and that if the roads are reqd. to be maintained to a higher standard necessitated by the heavy wear and tear of mily. vehicles, the entire cost of such maintenance will have to be borne by the Defence Deptt.

4. It appears desirable to inform the D.L.Bs. concerned in such cases of the action being taken by this Govt. with regard to the improvement of the D.L.B. roads and of the stipulation regarding their future maintenance.

copies of the letters addressed by this Deptt. to the Mily. Authorities in such cases are being endorsed to the C.D. That Deptt. may consider the question of informing the Local Boards concerned, thro' the the Collr. of the Dist., of the action being taken by this Govt. for the impt. of the roads and their future maintenance.

5. The C.D. may see this note u.o.

Id/-
27-5-43.

Has the stipulation at 'AA' above been accepted in any case so far?

Id/-
28-5-43.

Resubmitted.

2. The letters to the Military Authorities in connection with the five roads in the Thana Dist. were issued only recently (on the 15th and 20th May 1943) and no reply has so far been received. The letter in connection with the Khedgaon-Supa-Nira Road is being issued to-day.

Id/-
28-5-43.

Id/-
28-5-43.

U.O.R. to the C.D. dated 2-6-43.

General .....

General Department.

'C' Branch.

The Govt. in the P.W.D. has undertaken the work of improvements to the following Dist. Local Board Roads in this Province at the request of the military authorities:-

(1) Malad-Marve Road
(2) Juhu Road
(3) Pokhran Road
(4) Marol Road
(5) Kalyan-Ambernath Road

} Thana Dist.

(6) Khedgaon-Supa-Nira Road - Poona Dist..

In view of the urgency of works, the P.W.D. has informed the military authorities that the roads will, after improvement, be maintained by the Local Bodies concerned to the extent that their funds permit and that if the roads are required to sh be maintained to a higher standard necessitated by the heavy wear and tear of military vehicles, the entire cost of such maintenance will have to be borne by the Defence Deptt.. The P.W.D. considers it desirable to inform the Dist. Local Boards concerned of the action being taken by this Govt. with regard to the improvement of the Dist. Local Board roads and of the stipulation regarding their maintenance in future and asks this Deptt. to consider the question of informing the Local Boards concerned through the Collector of the Dis. of the action being taken by this Govt. for the improvement of the roads and their future maintenance. The suggestion made by the P.W.D. may be accepted. The accompanying letter and endorsement may issue after U.O.R.....

u.o.r. to the F.D. On return the papers will be returned to the P.W.D. after issue of the proposed letter and keeping copies of pages 1-7- on our record.

Id/-
15-6-43.

Id/-
15-6-43.

U.O.R. to F.D. dated 15-6-43.

F.D.

Seen and returned u.o.to the C?D.

Id/-
23-6-43.

Id/-
28-6-43.

C.C.
Issue U.O.R.

Id/-
15-6-43.

ADS/-

EE

General Department.

Secretariat.

Submitted with reference to the office note dated the 15-6-43.

2. The accompanying letter and endt. may now issue. After issue, the papers will be returned to the P.W.D. after keeping copies of pages 1-7 of this file.

Id/-
1-7-43.

Id/-
1-7-43.

U.O.R. to P.W.D. dated 7-7-43.

C.C.

Pl. keep copies of pages 1-7 & then u.o. to P.W.D.

Id/-
6-7-43.

C.C.

Pl. issue letter & endt. on P.5 -7 & return the papers to Br. Direct.

Id/-
2-7-43.

ADS/-

CONFIDENTIAL.

No.P.W.D.5877/36-C,
General Department,
Bombay Castle, 2nd July 1943.

To

The Collector of Thana
Poona.

Subject: Roads.
Dist.Local Board.
Repairs & maintenance of ---

At the request of the military authorities, Govt. in the P.W.D. has undertaken the work of improvements to certain D.L.B. roads of military importance in this Province, which will, after improvement, be maintained by the Local Boards concerned to the extent that their funds permit. It is stipulated that if the military authorities desire that the roads are required to be maintained to a higher standard necessitated by the heavy wear and tear by military vehicles, the entire cost of such maintenance should be borne by the Defence Deptt.. The following are the works so far undertaken by the P.W.D.

(1) Malad-Marve Road.

(2) Juhu Road.

(3) Pokhran Road.

(4) Marol Road.

(5) Kalyan-Ambernath Road
Khedgoan-Supa-Nira Road.

2. Please inform the D.L.B., Thana, Poona, of the action taken by Govt. as stated above for the improvement of the roads and their maintenance in future.

Sd/-

Under Secy. to the Govt. of Bombay,

General Department.

Id/-
15/6/43.

Issued.

Id/-
5-7-43.

No.P.W.D.5877/36-C

etc.

Copy forwarded for information to ---

the Commissioner, N.D.,
C.D.,

the A.G., Bombay,

the F.D.,

the P.W.D.,

the Supdt. Engr. N.C.,
C.C.,

the Supdt, Engr. Thana Dn.,
Poona Dn.,.

By order of the G. of B.,

Sd/-

Under Secy. to the Govt. of Bombay,

General Department.

Issue.

Id/-
5/7/43.

Id/-
15/6/43.

ADS/-

P.W.Deptt.

(C.B.)

Submitted for information with reference to the notes on pp.1-2 ante.

2. Copies of the C.D. letter written have been kept on relevant files relating to the improvement of the five roads in the Thana Dn. and the Khedgaon-Supa-Nira Road, respectively, for reference.

Id/-
14-7-43.

Any other similar cases arisen since ?

Id/-
15-7-43.

ADS/-

Regr. No. 2790-E/W.7 No.9601/E.2-A

GOVERNMENT OF INDIA, WAR DEPARTMENT (ARMY BRANCH)
New Delhi, the 11th August 1945.

To

The Secretary to the Government of Bombay,

Public Works Department.

Levy of Departmental Charges.

Sir,

I am directed to refer to your letter No. 5877/36-E(I), dated the 5th July 1945, and to state that the Government of India have noted that the Bombay Government will levy departmental charges at the rate of 20% on the cost of stores supplied by the M.E.S. to the Bombay P.W.D. for use on Defence Services projects. In this connection I am to point out that the Governments of the United Provinces and the Punjab, which are also carrying out both original and maintenance works on behalf of the War Department, are charging the cost of establishments, tools and plant etc., on a proprata basis in proportion to the works expenditure incurred for the Central (War Department) and Provincial Governments concerned, irrigpective of whether the work carried out is maintenance or original work.

2. This arrangement is simple in accounts. As the Bombay Government will be carring out works on behalf of the War Department as a standing arrangement, its adoption is preferable from the point of view of the Government of India and the Government of Bombay.

3. I am, therefore to request that the matter may be considered afresh in the light of above remarks and the views of the Provincial

P.T.O.

Government may be communicated to this Department at an early date.

I am, Sir,

Your most obedient servant,

Sd/-
(S.H.Mattin)
Assistant Secretary to the Government of India.

No. 9601/1/E.2-A.

Copy of the above forwarded to :-

The Labour Department.

The Financial Adviser, War and Supply with reference to his u.o. No. 31374-W of 1945 for communication to the Military Accountant General the Director of Audit, War and Supply, the Controller of Military Accounts, Southern Army, the Deputy Director of Audit, War and Supply, Southern Army.

The Engineer-in-Chief, G.H.Q. (5)
The Deputy Financial Adviser (Works)

Copy to Ch. Secy. & C.S. Id/- 18-8-45.

Id/-
21-8-45.

Id/-
21-8-45.

ADS/-

E.B.(I). P.W.D.

Please see the C. of I.letter dated 11-8-45.

2. In accordance with the orders issued in G.R. No. 5877/36, dated 30-4-45, this Govt. levies departmental charges at the rate of 20% on the cost of stores supplied by the M.E.S. to this Deptt., for the execution of Defence Services Projects. These charges were levied in the same manner as departmental charges on the expdre. incurred on all the Defence Deptt. works executed by this Deptt.

3. The C. of I. state that the Govts. of U.P. and Punjab who are also carrying out both original and maintenance works on behalf of the War Deptt. are charging these charges on a pro rata basis in preporation to the works expenditure incurred for the Central (War Deptt.) and Provl. Govts. concerned. The above method is reported to be simple in accounts and its adoption by this Govt. is recommended by the Govt. of India.

4. The procedure followed by this Deptt. in respect of works carried out by this Deptt. on behalf of other Deptts. has been to levy departmental charges at a fixed percentage i.e. 2/- per cent at present and not on a pro rata basis. Autually, this Deptt. no longer adopts the pro rata basis in respect of any works, maintenance or original.

5. It therefore appears that the adoption of the pro rata basis for the levy of departmental charges on the cost of stores supplied.....

supplied by the M.E.S. to this Deptt. for execution of Defence Services Projects may effect the departmental charges at the rate of 20 p.c. ~~%~~ levied by this Deptt. on all the Defence Deptt. works as also the position stated in para 2 of the proposed letter to the Govt. of India in connection with the levy of departmental charges ~~xxxxxx~~ ~~xxxxxxxxxxxxxxx~~ on road works of military importance.

6. It is accordingly for consideration whether

(i) the Govt. of India proposal for adoption of the pro rata basis in place of that of fixed per centage may be accepted:

or

(ii) the Govt. of India may be informed that this Govt. will continue to levy the departmental charges on a percentage basis as ~~here~~to fore.

In either case the papers may be referred U.O. to the A.G. and the F.D. advice, before the Govt. of India is replied to.

Id/-
14-11-45.

Thro' A.B. & C.B.

Id/-
14-11-45.

~~xxx~~ As at A

Id/-
16-11-45.

U.O. to A.G.

" to F.D. dated 20th November 1945.

with file No.5877/36.

A.G.'s Office, Bombay.

Passed on to Government in the Finance Department.

2. The proposal to apply prorata system in the case of defence works will involve two processes, namely, that in the first instance for the purpose of distribution of Establishment & T. & P. charges between the several classes of works of the Provl. Govt. the departmental charges will be calculated at the ~~xxxflat~~ rate fixed by the Govt. in their memo: No.2549/27-S, dated 13-6-41 and subsequent orders, and thereafter for the purpose of recovery in respect of Defence works, they will have to be worked out on a prorata basis in proporáion to the cost of Establishment and T. & P. charges to works outlay in each circle of superintendence. These prorata calculations will be ready after the ~~xxxxxx~~ compilation of March Final and supplementary accounts i.e. about the first week of June. As, however, the debit on account of the share of the P.W.D. Estt. and T. & P. charges leviable on the Defence Works, involved financial adjustment with another Govt. for which the latest date is 15th of April, the credit to the Provincial ~~xxxxx~~ Civil works on that account of the succeeding year will have to be accounted for in the accounts or will have to be adjested on a provisional restimated basis subject to re-adjestment in the accounts of the following year, of the diffence between the charges levied at the estimated rate and the actual prorata rate. In either case, this method will affect the appropriation accounts. From the point of view of both the regular and appropriation accounts, the present system of Centage levy is therefore simpler than the prorata system.

3. In this connection, it may also be pointed out that on the recommendation of the auditor General, vide his U.O. Note No.859 Admn. II/351-32 dated the 29-11-32 referred to in the U.O.R. from the P.W.D. dated 23-3-33, forwarding P.D.....

F.D. File No.9666-A., the central Govt. themselves have adopted ~~xxxxxx~~ a fixed percentage rate system in respect of works carried out by their P.W.D. on behalf of other Department, Governments, etc., (Vide Rule 4 of Appendix 5 of the C.P.W.A. Code).

Id/-
19-12-45.

A.A.G.

U.C.R. to F.D.
No.W.M./154. 19 December, 1945.

Finance Department (A).

In their letter No. 9601/E.2-A, dated 11-8-45 the Govt. of India recommend that while assessing the departmental charges on the expenditure incurred on all Defence Deptt. works executed by the P.W.D. this Govt. should adopt pro rata system. The grounds advanced to support the proposal are that the Govts. of U.P. and Punjab who are also carrying out both original and maintenance works on behalf of the War Deptt., are levying these charges on a pro rata basis in proportion to the work expenditure incurred ~~xx~~ for the(Central War Deptt.) and the Provl. Govts. concerned and that this method is simpler in accounts. While the P.W.D. is in favour of the departmental charges being levied on a percentage basis as hereto-fore and proposes to continue the same procedure the A.G. points out in his note above that the present system of centage levy is far simpler than the pro rata system.

2. So far as this Govt. is concerned the departmental charges on the expenditure ~~x~~ incurred during the year 1944-45 on all the Defence Deptts. works executed by the P.W.D. have been fixed at

~~xx~~ 20.....

20% (vide G.R.P.W.D. No.5877/36 dated 4-12-44). According to G.R. P.W.D. No.5877/36 dated 30-4-45 departmental charges on the cost of stores supplied by the M.E.S. to P.W.D. for execution of Defence Services Project are calculated at 20 per cent. While the P.W.D. has not hitherto issued any orders fixing the rate of departmental charges to be levied during 1945-46; it is not clear from the Govt. of India letter whether the pro rata basis should be adopted instead of a fixed percentage even while calculating departmental charges on the cost of stores supplied by the M.E.S. to the P.W.D. for execution of Defence Services Project. Nor is it clear from the proceedings underlying the G.R. P.W.D. No. 5877/36 dated 30-4-45 whether it is not the intention of the P.W.D. to include the cost of stores in the work outlay at the time of assessing departmental charges on the latter. Attention in this connection is invited to para. 4 of the S.E.'s & U.O. dated 5-2-45 in which it is stated that the work outlay includes the cost of stores. Since centage charges are separately levied on the cost of stores, the cost of stores should not be included in the work outlay while calculating departmental charges on the total expenditure incurred on a particular project.

3. Although the P.W.D. proposes to adhere to the existing system of levying departmental charges, that Deptt. has not stated in what way the pro rata system would affect the present procedure of levying 20% charges. Nor has the A.G. pointed out whether the present system would be financially more advantageous than the pro rata system.

A§.....

As regards the anamolous nature of the pro rata system attention is invited to paras. 4 and 5 of the Auditor General's note dated 29-11-32. It has been specifically apointed out in these para that the pro rata system is uncertain in its operation and unacceptable from the point of view of the customer as it makes the cost of works depend on causes entirely beyond his own control. Apart from this the Auditor General remarks that this method is not consistent with the ordinary laws of demand and supply and therefore advocates the adoption of a fixed peremtage rate system in respect of works carried out by their P.W.D. on behalf of other departments, Govts. etc. Likewise the A.G. observes that the system would affect the appropriation accounts. Hence it is not understood from the Govt . of India letter how this system should be considered to be preferable from the point of view of the Central Govt. and the Govt. of Bombay.

4. With the cessation of hostilities there would probably be no more works to be undertaken by this Govt. on behalf of Defence Deptt. Nor will the question of determining the rate of departmental charges arise. In view of the Auditor General's opinion on the pro rata system and also of the A.G's note, F.D. may agree to the P.W.D. proposal. (A).

Id/-
16-1-46.

I agree with A

Id/-
19-1-46.

With P.W.D. File No. 5877/36.

No.5877/36-E(I).

F.W.D.

B.C. 16th Feb. '46.

To

The Asstt. Secy. to the G. of I.,
War Deptt. (Army Branch),
New Delhi.

Subject:- Levy of Departmental Charges.

Sir,

With ref. to your letter No.9601/E-2-A, dated the 11-8-45, I am directed to state that after full consideration this Govt. has decided to continue to levy the departmental charges on a percentage basis as hereto-fore .

Yours sincerely,

Copy to with copy of theletter refd. to, to- the F.D.,
the A.G.,Bombay(thro'the F.D.).

for information.

Id/-
6.2.46.

Id/-
7-2-46.

Issue with refce.

Id/-
17-2-46.

Regd. No. 967-S/W.7.

GOVERNMENT OF INDIA, WAR DEPARTMENT (ARMY BRANCH);
NEW DELHI, the 6th March 1946.

To

The Secretary to the Government of Bombay,
Public Works Department (Roads and Buildings),
Bombay.

Subject:- LEVY OF DEPARTMENTAL CHARGES BY BOMBAY PUBLIC WORKS DEPARTMENT.

Sir,

With reference to your letter No. 5877/36-E(I), dated the 16th February 1946, I am directed to say that the Government of India has no objection to the continuance of levy of departmental charges on a percentage basis as heretofore.

I am, Sir,
Your most obedient servant,

Sd/-
(S.M.Natim),
Assistant Secretary to the Govt. of Ind

No.9601/106/2/E.2-A.

Copy of the qbove forwarded to :-

The Financial Adviser, War and Supply, with reference to his u/o No. 7552/W of 1946, for communication to the Military Accountant General, the Director of Audit, War and Supply, the Accountant General, Bombay the Controller of Military Accounts, Southern Command and the Deputy Director of Audit, War and Supply, Southern Command.

The Engineer-in-Chief, General Headquarters (E.2-A).

The Deputy Fin Financial Adviser (W).

E.B.(I). P.T.O

"Chopra"
35.

E.B.(I).

Submitted for information.

2. The draft put up may issue.

Id/-

ADS/-

(Below copy of G. of I., War Deptt. (Army Branch letter No.9601/106/1/E.2-A., dated the 6-3-46 and accompt).

No.5877/36.E(I).

P.W.D.

B.C. 27th March 1946.

Forwarded to the F.D. in continuation G.E. No.5877/36.E(I)., dated 16-2-46.

Id/-
22-3-46.

By order of the Governor of Bombay,

Sd/-

Issue with endt.

Id/-
28-3-46.

ADS/-

Office of the Accountant Genera

Bombay, the 14th June 1946.

No.W.M.Statt/383

To

The Secretary to Govt.,
P.W.D., Bombay.

Sub:- Departmental Charges on Defence Work

Sir,

I have the honour to invite a reference to this office letter No.W.M.Statt/3661 dt. 14-2-46 on the subject mentioned above and to enquire when the orders of Govt. may be expected.

Your obedient servant,

Sd/-
Assistant Accounts Officer.

NGP/12-6.

ABS/-

E.B.(I). P.W.D.

Submitted.

Thro'A.B.(E).

Id/-
26-6-46.

2. The necy.orders are being issued on the main file. No action is therefore necy. on this which may be recorded with the main file.

Thro' Rs.

Id/-
29-6-46.

Id/-
1-7-46.

A.R. is being issued on Roneo.

Id/-
1-7-46.

A.B.(E) 1/7/46

ADS,